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Compromising the public good? Civil society as beneficiary of gambling revenue

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Abstract:

Profits from legal gambling are often channelled to good causes. This system embeds the predicament of whether citizens' potentially problematic gambling activities should be a source of funding for the public good. In this article, this dilemma is unfolded by the receivers of public grants that stem from gambling revenues. A total of twenty three representatives of Civil Society Organisations were interviewed as beneficiaries of the Finnish state-owned gambling monopolies. The study illustrates explicit dependencies and hidden ethical dilemmas, suggesting that CSOs may have limited possibilities of making ethically consistent decisions in view of the origin of their funding.

Keywords: gambling; civil society; key informant interviews; public good; public grant;

Introduction

A well-functioning Civil Society (CS) is central to all democratic societies. Governments' often support and partner up with civil society organisations for different objectives. However, there is a long-lasting ongoing scholarly discussion regarding whether a tight financial engagement with the state brings opportunities or loss of autonomy to civil society organisations (CSOs) (De Corte & Verschuere 2014, McFarland 2017). Since these aspects vary a great deal with systems and sectors, the dependency principles can be discerned only through the inquiry of different cases.

The concerns over the circumstance that heavily state-funded CSOs would order themselves to governmental goals on the expense of their initial purposes is partly underpinned by research that suggests that the CS tends to appropriate activities to funders' priorities and demands (cf. Mosley 2012; AbouAssi 2014). In cases when tangible output measures of CS activities are difficult to produce, the substance of the state-funded organisations may start concentrating on auditing requirements from above instead of more comprehensive content goals (cf. Power 1997; Mosley 2012). Still, the public funding of the CS has been also shown not to suppress the CSOs' political content, despite great monetary dependency (e.g. Chaves et al. 2004; Sanchez Salgado 2014).

This study contributes to the discussion concerning structural and value-related dependencies by scrutinizing the unique Finnish system of ear-marked gambling revenues to CSOs. Role divisions within gambling policy systems, and especially the role of the CS, is an under-researched area, rarely discussed from a Nordic point of view. Due to a strong welfare state ethos, charity work has not played the same role in the Nordic countries as for example in the Anglo-Saxon world. Historically, the Nordic CS has been centrally organised with a strong representative function (Alapuro & Stenius, 2010). Even though some social and health care organisations were the first to produce some social services that were later embraced by the public sector (Wrede, 2006), a typical Nordic CS association has not had a strong role in provision of community services that is common in other kinds of welfare regimes (Hellman and Room, 2015). Nevertheless, in Finland and elsewhere, CSOs are increasingly expected to take responsibility for producing welfare services and public goods as third sector service providers (e.g. Rosenblum and Lesch, 2012; Rosenblum and Post, 2002; Julkunen 2000; Pyykkönen 2010; Perälä 2010). In such a situation, it is pressing to look into the principle of circulating revenues from citizens' gambling through CSOs for the service provision aimed at citizens' wellbeing.

In addition to the dilemmas involved in CS state cooperation creating dependencies the case of this study embeds the systemic paradox of whether citizens' gambling – a potentially harmful activity – should be a source of the CS. This will be investigated from the perspective of the beneficiaries of the system through interviews with CSO representatives. Despite a possible dissonance between origin of funding and aims of activities, the channelling of gambling money involves some processual steps and various actors' involvement that may diversify and limit influences from funders (Egerer et al. 2018).

In this study we will first discuss the structural and principle conditions under which the CSOs receive gambling revenue-based public grants in Finland, and then present our inquiry into the

CSO's views on the system including their value-based autonomy position in view of their dependency on gambling revenues.

As the Finnish gambling policy system has recently undergone changes, it is crucial that the different money channelling principles are mapped and evaluated. However, as an investigation into systemic logics, the case study entails aspects of relevance for all jurisdictions that have arrangements for creating and redistributing public revenues through gambling.

Funding the CS by gambling revenue

A great majority of jurisdictions benefit financially from gambling activities. In the US, gambling revenue contribute on average with 2 % to 2.5 % of federal states' revenues (Dadayan, 2016), although variations are great; in Nevada for example this number reaches ca. 13 %. In European countries gambling-based state incomes are less significant, but for example Italy and Finland they are rather substantial, ca. 2 % of the total state budgets (Rolando & Scavarda, 2016, Sulkunen et al., 2018).

Nikkinen and colleagues (2018) have identified two systemic principles according to which gambling activities are coupled with the public good: "gambling for state-run welfare" and "gambling for designated purposes". When distinguishing models for how the gambling revenues are channelled to designated purposes the picture becomes more complicated. This varies a great deal between gambling policy systems (such as licence, monopoly, taxation) and game types (such as lottery, slot machines, casinos).

For this purpose Adams (2008) has suggested a typology of models. *Direct industry contributions* are made when private gambling providers fund "community organisations"¹ with no intermediary interference. For example, in Italy gambling concessionaries directly support many organisations and sponsor sport events (Rolando & Scavarda, 2016). From the CS beneficiaries' perspective ties with the industry are not unproblematic and may involve vested interests. Furthermore, this system may risk binding up CSOs to the image profiling of the gambling company (cf. Rolando & Scavarda, 2016).

Community-administered contributions pertains to a system of community organisations providing gambling products themselves and using the incomes for their activities. Historically speaking, this is often how the first games were operated in many countries: by organisations that needed the revenues for their activities. In the UK, for example, there is a long tradition of worker clubs using bingo or raffles to collect support for activities directed at members who are not that well-off (e.g. Bedford et al. 2016). In the early 20th century, the public discussion in Finland deemed gambling machines as harmful, especially for children and young people. This criticism led entrepreneurs to

¹ Community organisation is not a term that would be typically used for the CSO's and third sector actors in a Nordic context. Adams' framework is the one of New Zealand. In the English speaking world – especially Australia, the USA, and the UK -- where most gambling research has been conducted so far, Civil Society plays another role in the overall system of responsibilities. In the Nordic welfare countries the municipality and the state hold main responsibility in service provision resembling a common good channelled in Adam's concept of 'communities'.

associate with charitable organisations, and in 1933 only organisations with a public good objective were allowed to operate gaming machines (Kortelainen 1988). The current state-owned and state-governed Finnish gambling operator system originates thus historically from charitable organisations' gambling activities. Norway offers a case when CSOs' right to raise funds by offering gambling was drawn too widely: many organisations contracted private gambling companies to organise the organisation's fund raising gambling activities. This led to an immensely increased offer, and to more tempting forms of machines, which resulted in considerable gambling problems (Rossow & Hansen 2016).

A third model, *government-administered contributions*, comprises strong government involvement in the provision of gambling, often in the form of a gambling monopoly. The CS is funded by grants – lotteries are a good example of such an arrangement and can be found in several countries, such as Germany, New Zealand and Canada. The state acting as a gambling provider, as well as the receiver and distributor of the revenues, and as the legislator entails role conflicts. Seen from the CS beneficiaries' perspective, such an arrangement risks erasing the CS as an independent sector and turns it into a component of the state. Not only can this undermine the state's legitimization and accountability beyond the provision of gambling, for the CSOs it may entail a tight network of governance bureaucracy.

Government-brokered contributions, are granted by a government founded independent institution, which distributes the contributions from private gambling companies. The challenges with this model from the CSOs' perspective may be that the decision-making organ becomes a place where stakeholders compete for influence – for example half of the members of the board of the Responsibility in Gambling Trust in the U.K. are representatives of the gambling industry (Adams 2008: 54ff).

Finally, *government-mandated contributions* to the community are based on legislation on fixed percentages of gambling company revenues, which are mandatory to be used to support community purposes. This has sometimes shown to result in strong dependency of CSOs on gambling revenues, which risks turning them into advocates of gambling. This has happened in New Zealand, where some religious organisations became advocates of liberal gambling laws in order to secure their source of funding (Adams 2008).

In addition to the inherent possibilities and challenges of the models posed by Adams (2008), they all also involve an ethical dimension: CSOs are dependent on profits based on an activity which causes individual and societal harm (Conway & Oreskes, 2012). The same CSOs who promote well-being and health can rely heavily on money from an activity that potentially counteracts well-being. This ethical aspect unfolds through the consideration of origin of money in view of the target of the money (e.g. Zelizer & Rotman, 2011). In the case of Finland, the use of gambling revenues for good purposes is earmarked and the origin of the funds from gambling clearly identified; in fact it is the main strategy to legitimise the state monopoly to the Finnish citizens (Marionneau, 2015; Järvinen-Tassopoulos, 2012). Adams (2016) considers the degree of what he calls moral jeopardy higher in arrangements such as the Finnish one, where there is a strong link to and identification of gambling money.

How the gambling-based recipients view different kinds of systems is as of yet poorly researched. A Canadian report (CWF, 1999) shows that the beneficiary organisations were familiar with the ethical concerns regarding the origins of the funds and that these aspects were negotiated in view of the type of game that the money stemmed from (EGM vs. lottery), as well as their perceived degree of harm (EGM more harmful). The beneficiaries considered the money originating from electronic gambling machines as the least good origin and were least convinced of the moral 'laundering' operation of this money. Also the use of money had an influence on the ethical appraisal of use of gambling revenue for good causes: organisations in the social and health sector were more critical, whereas sport and cultural beneficiaries expressed less concerns.

There is a lack of evaluations of the effects that these different institutional arrangements have on role divisions between state, citizens, and civil society organisations, especially beyond Anglo-Saxon contexts.

The Finnish system

The Finnish system of channelling money to good causes, resembles the government-mandated system, but incorporates also characteristics of the government-administered type. It has, up until the beginning of 2017, conveyed two main streams, each with their own adherent structural particularities². Even though they stem from different gambling products and are aimed at different causes, both systems have the overall aim of sponsoring increased welfare and life standard of the Finnish society as an added value beyond the welfare state's responsibilities. This study concerns beneficiaries' views on the two principle models.

In the first model revenues from the Slot Machine Association RAY, which provided casino games and EGMs, were oriented towards CS activities in the social and health care sector. Even though it sold gambling products RAY's juridical status was not a company but an association and the CSOs who were entitled to its funding were its members. Making the picture even more complex, RAY also held the public task of admitting grants. To put it more complicated, RAY was not solely association but it also carried a public task admitting grants. The grant department of RAY prepared decisions on funding which was then accepted by the board of the association consisting of representatives from both member CSOs and state. The grant activities were supervised by the Ministry of Social Affairs and Health. RAY is an example of indirect public administration as the organisation fell between the categories of association and government body (Myllymäki & Tetri 2001). In 2016, altogether 824 associations were supported from these types of grants and a total amount of money granted to these organizations was around 315 million euros (Sosiaali- ja terveysterveystöjen avustuskeskus 2018)³.

² The revenues of the Finnish tote game organizer Fintoto were used until recently to promote horse breeding and equestrian sports. The Åland Islands, a small autonomous region in Finland, has its own gambling monopoly PAF (Ålands Penningautomatförening). Neither PAF nor Fintoto are included in this study.

³ The numbers were calculated based on data available on the web-pages of the Funding Centre for Social Welfare and Health Organisations (Sosiaali- ja terveysterveystöjen avustuskeskus 2018).

In the second model for gambling-funded CSO's public grants is built around the revenues from the National Lottery Veikkaus, which offered lottery products and sports betting. These grants are aimed at activities concerning science, culture, youth and sport associations, and are decided on by the Ministry of Education and Culture. The Veikkaus company plays no role other than revenue production, the ministry collects applications and awards the grants. Only CSOs that have sought entitlement as an organisation from the Ministry may apply a grant. In 2016, 124 youth associations were funded with over 3.2 million euros and 120 associations promoting recreational sports with about 40 million euros (Ministry of Education and Culture 2018 a & b)⁴.

The characteristics in the funding systems have oriented and steered the organisations seeking funding to categorise and profile themselves (Saukko, 2015). For example, if a youth organisation providing cultural activities for problem youth would be interested in gambling profit based grants, it should most probably first define whether it is more focused on social care (RAY/The Ministry of Social Affairs and Health) or recreational activities (The Ministry of Education and Culture).

The grants are targeted especially to CSOs operating on a national or regional level. A comprehensive joint mapping of both systems' CS funding is not available, but the umbrella organisation for Finnish social and health care associations, SOSTE, provides an annual study based on a survey targeted at national and local social and health care associations and statistical data from various sources (for example from the RAY). According to the survey from 2016, RAY was the most important public funder of nationally operating social and health care associations, corresponding to a total of 23% of the gross profit of all the organisations stemming from RAY. 8% of the profits came from some another public body (another governmental organisations or municipalities, for example). The emphasis on the different kinds of sources varied according to operational field and organisation size. RAY grants would cover 67% of the incomes of the smallest organisations (annual budget less than 500 000 euros), 55% of the profits of mid-size organisations (annual budget 500 000 – 5 mil. euros) and 12% of the largest CSOs (annual budget over 5 mil. euros). (SOSTE 2016, pp. 80–81.)

A profound reform at the beginning of 2017, has involved a merger of the three Finnish gambling monopolies into one large monopoly organisation. The shares of gambling profits to each types of beneficiaries has remained the same and is stipulated in law (Sisäministeriö, 2016). The Ministry of Education and Culture continues to distribute grants for culture, sports, science and youth association, but the RAY grant department vanished with the separate gambling machine monopoly and is now instead ordered as an autonomous assisting unit under the auspices of the Ministry of Social Affairs and Health.

The data for this study concerns the two previous principle systems of de jure state controlled grant admission; through the governmental body sans influences from gambling provision company (Ministry of Education and Culture) and, de jure through the government (Ministry of Social Affairs and Health) but de facto prepared by the gambling provision organisation's (i.e. RAY) grant department.

⁴ The total number of organizations funded in 2016 is calculated based on data available on the webpages of the Finnish Ministry of Education and Culture (Ministry of Education and Culture 2018 a & b).

Data and methods

The study's purpose is to produce insight into the Finnish system of gambling funded CS from the perspective of the beneficiaries. Thus we performed an inquiry into how CSOs experience the system's characteristics and its potential contradictions. A total of 13 key informant interviews were carried out with altogether 23 representatives of nine different CSOs. Although 13 interviews may seem like a small number, the interviews were exhausting and lasted for between half an hour to over two hours in length. The transcribed interview verbatim conveys 360 pages of discussions on the two funding systems and the CSOs views on their own role in these. The interview material, which was collected in 2015 and 2016, when the monopoly merger was being discussed, represents CSOs in the fields of sports, social welfare and youth work. Interviewees were managers, administrative staff, project leaders and project workers, all of which had extensive knowledge on and experience from gambling-based public grants.

Organisations receiving support grants from the RAY and/ or Veikkaus (via the Ministry of Education and Culture) were interviewed. In most cases, these grants were not the only source of funding and in some cases organisations received funding from both kind of gambling revenues. As a second dimension of sample composition, we aimed to include CSOs with a universal aim (with a wider goal and target group, such as the general promotion of child welfare), and CSOs with a particular aim (for example, with a specific target group, e.g. drug users). Informants were selected through public notices of recipients of funding from both organisations. Furthermore, informants with insight into the field of beneficiaries were asked for interviewee suggestions (Wroblewski & Leitner, 2009). This recruitment strategy may have favoured older and better-known organisations, so the study may represent a more 'conservative' or settled perspective on the system. Then again, the mix of CSOs represented in the sample contained both bigger ones with 11 or more paid employees (six organisations) and small CSOs with 10 or fewer paid employees (three organisations). It was important that CSOs of various sizes were included, as the size of the organisation may play a role for level of dependency on the funding source.

CSOs were approached by an interview request via email, which explained the study aims, interview objectives and the people eligible for participation (persons with experience of the gambling revenue funding system). Depending on the availability of the participants, interviews were conducted with one to three interviewees at a time. Naturally, in small organisations, management duties and practical tasks are typically handled by one and the same person, and the number of interviews and interviewees was therefore smaller in this category of CSOs.

The informants gave informed consent and agreed to audiotaping of the interviews. During transcription, interviews were partially anonymised, but the name and location of organisation, for example, remained in the transcript. The transcripts are only kept available to the researchers, and quotes of this report are fully anonymised.

The interview protocol involved open-ended questions in line with a thematic protocol (see Appendix). In order to fixate the analysis on a systemic level, a thematic analysis was performed concentrating on dimensions regarding the CSOs positions in the system (e.g. Strauss, 1987; Alasuutari, 1996) looking for different viewpoints (e.g. role, dependency, justifications, activities).

In this report we concentrate on results ordered under three main headings: perceptions of the funding system including the CSOs' own role in the same, critical assessments of the system, and, views on and justifications regarding the origin of the funding (gambling activities).

Results

Views on the two systems

All interviewees openly acknowledged a great dependency on the gambling-based public grants. Particularly the representatives of the smaller organisations expressed substantial dependencies. The representatives of the older and larger CSOs not only exhibited higher independence due to a better monetary back-up, but they also enunciated their independence by referring to their organisation's long history of 'doing good' for the society. Even the fact that RAY was originally established by civil society associations came up during the interviews with the CSOs of long standing. In terms of civil society autonomy, RAY was also portrayed as a better funding agency than the Ministry of Education and Culture, whose funding decisions were seen as less transparent. The CSOs saw that RAY maintained a close ongoing dialogue with the civil society and even partly governed by the CSOs themselves.

Rather predictably, and similar to their Canadian counterparts (CWF 1999), representatives of all interviewed types of CSOs argued against short-term local grant-based projects, and saw that ideally these would be replaced by long-term coherent national planning. In its role as a negotiator between the state and the CSOs, RAY was depicted more as a partner than a funding agency. An informant of a smaller organisation said that while small actors were only able to produce a public good for a limited group of people, RAY would collect and merge data from several social and health care organisations and thus legitimise smaller operators' actions as part of a greater field to government authorities:

"The policy of the Slot Machine Association seems to be that first, if we can show our results and impacts for them, then they will try to point out the effectiveness of all activities [of social and health care CSOs] to the Ministry." (Representative of small CSO)⁵

RAY continuously sought to make its application system more client-friendly and as part of this it established 'support coaches' for the CSOs. The informants described the interaction with the support coach as useful and helpful and the negotiations and discussions with the funder would not appear to the informants as influencing their activities. Instead, the CSOs felt that the funders had helped them improve their applications and to find other CSOs to cooperate with when the projects overlap. CSOs often portrayed the RAY as a sincere partner. Viewed from the perspective of the identified risks and challenges with the different models of Adams (2008), RAY's help with improvement of applications and suggestions of cooperation compositions could also be seen as a structural governance of organisations' goals and activities. The institutionalization of such practice may, in a longer perspective, come to colour the nature and orientation of CS as a sector. When

⁵ All quotes translated by the authors.

structural conditions for CS are executed by gambling operators such as the RAY, the sector is influenced and partly governed by an organisation which main income is generated through selling games to citizens and which thus have a different goal than the CSOs.

The beneficiaries' autonomy appreciation of this study resonates with the 2016 survey of the Finnish third sector (SOSTE 2016), according to which, 80% of nationally operating CSOs considered their autonomy sufficient. The SOSTE survey found no statistically meaningful differences between the organisations with smaller and larger budgets. Interestingly, when the respondents were asked what would improve the autonomy of the CSOs, the most common answer was to improve the funding system in a more flexible direction (SOSTE 2016: 145). The results of our analysis hints towards the same direction: Overall, CSOs do not feel that the governmental grant funder would explicitly impose goals on them. However, it seems that the CSOs adapt to certain amounts of steering already through the practicalities of the funding system.

Critique of the system

Despite the fact that the interaction with the funding organisation was portrayed in an overall positive light, there were also some descriptions of clashes. For example, the interviewees would criticise the public funder for not being enough transparent in its grant allocating procedures. This was presented both as a general systemic deficiency with implications for citizens' and as a problem for the CSOs.

General criticism of the system was expressed in complaints about bureaucracy, the large workload in applying for the funds and about reporting on the activities sought for. Then again, some interviewees defended the mandatory reports as useful for the evaluation of their own activities, and that the reports could be used to prove that they were trustworthy beneficiaries and true in their objectives.

A question that the interviewees were critical towards, and which reflects the weight that the CSOs' put on their own organisation's identity as representatives of a 'genuine public good', was the critique against the fact that political youth organisations receive grants from Ministry of Education and Culture. The aims of these organisations were seen as mainly favouring certain political parties serving individual interests than a general public good. The genuineness of the CSOs' purposes and activities was an important thematic trait in the material throughout. For example, the representatives sometimes reported that they were insulted if the funding institution seemed to suspect that they used the grant for selfish purposes and not for the promotion of the public good. In a following extract, an interviewee describes how the deprivation of a grant was experienced in their organisation:

"We got the feeling that we need to prove that we really do something here and not just sit here drinking coffee. I think it [the cutting of the funding] was like passing a vote of distrust in us. It felt disrespectful towards us." (Representative of small CSO)

In view of the 2017 fusion of the gambling monopolies, some of the CSOs expressed critical aspects and worries that the state might be interested in incorporating the gambling revenues into

the general state budget, leaving the CSOs relying on meagre municipal support and membership fees. Still, adaptation to the new model was seen as inevitable, and the CSOs (small and big ones alike) expressed a ‘we-will-see-what-happens’ viewpoint rather than an active role of influencing the formation of the new system.

In the end, most criticism matched criticism of public funding in general and concerned often technical details. It was less assigned to the general level, such as ethical considerations of the origins of the funding or the justification of a gambling monopoly for safeguarding of the funding of good causes.

Origins of funds

The CSOs expressed high awareness of the fact that the activity of gambling constituted the source for the grants that they had received. In the words of a representative of a CSO that had received grants through the Ministry of Education and Culture, and was thus funded via a government administered channel:

“... I’ve been laughing having realised that actually we have a bad gambling addiction! Our whole existence is dependent on these grants, of course.” (Representative of small CSO)

The interviewees acknowledged the debatable nature of gambling and they justified the origin of the money by following certain discursive strategies. They would ‘displace’ the problem by drawing parallels to other behaviours: instead of discussing the question regarding problem gambling, they would put it aside and start talking about other addictions, such as ‘PlayStation addiction’. They would also actively ascribe moral responsibility to their funding institutions and the gambling monopolies. Some informants said that the monopolies had the reliable measures for preventing problem gambling, which released the CSOs from moral obligations. Other informants individualised the problem to a small deviant group and pointed to the gamblers’ own responsibility, which is a common strategy used by the gambling industry (e.g. Young 2013).

Many representatives were not familiar with the actual scope of the problems that gambling causes to individuals and society. Interviewees often asked the interviewers about the percentage of problem gamblers or the percentage of problem gamblers’ expenditure in the total gambling revenue. They also cited numbers that did not reflect reality⁶, and were honestly surprised when they were told the real numbers. In the next citation, two interviewees speculate around the amounts of revenues that actually stem from problem gambling:

I1: does anybody know really how big the part is that stems [from problem gambling]

I2: That is [only] some percent.

I1: ..from problem gamblers, yes that is only a little fraction.

I2: some per mil, I do not remember either.” (Representatives of large CSO)

⁶ Gambling revenues from gambling machines come to a considerable extent from problem gamblers (e.g. Orford et al. 2013; Salonen et al. 2017).

Some interviewees would point out a relativity between benefits and challenges of different models for funding the public good. They questioned the use of tax money as a morally neutral alternative to gambling revenue.

The use of gambling revenue was strongly legitimized in view of the use of the money: The interviewees actively construed their own activities through the idea of a public good, and as such they saw the Finnish society as the 'recipient' and beneficiary of their activities. Thus their overall justification for receiving money from gambling was that the benefit – the CSOs' activities in creating a public good – outweighed the harm caused by gambling.

All of these arguments points towards an implicit coalition of CSOs with their funders, and – maybe not as openly – confirms Adams (2008; 2016) findings from New Zealand of increased moral jeopardy for the beneficiaries in a government mandated system of channelling gambling revenues.

Discussion and Conclusions

The Finnish beneficiaries' dependencies on institutionalised public grants that stem from gambling revenues is unique both internationally and in its own Nordic welfare state system context. Studying how the system affect beneficiaries brings to the fore certain general dependency questions in the core of the CS's modus operandi.

Funding civil society activities by public grants has provided a way for societies to "do good" with gambling revenues. This study has presented some models for such arrangements and their adherent downsides; they can for example result in fuzzy roles of stakeholders and a dominance of some parties (e.g. strong state involvement). They can create dependencies between the funder and the civil society benefitting from the gambling revenue. While the arrangements are often presented as a way of neutralizing a contradictory role of the state (regulator, surveillant, and beneficiary), and as a way out of direct state involvement in public funding of the CS, the Finnish case shows that the question is more complicated.

The Finnish system of channelling gambling revenues has been both government-mandated and government-administered. One of the gambling monopolies, RAY, has had a peculiar role in producing gambling products, supporting CS grant applicants and preparing the base of the funding decisions -- all at once. The close cooperation between the funders (i.e. RAY or the Ministry of Culture and Education), on the one hand, and the CSO, on the other in combination with a subtle and sometimes less subtle control from the funder's side, indicate that the Finnish hybrid government-mandated/government administered model does not offer a particularly autonomous role for the civil society. Still, the CSOs interviewed for this study found that the RAY system was more reliable and offered more scaffolding. Furthermore, the relationship between the CSO and the funder often resembled a co-partnership, and funders could even function as a sounding board; interviewees experienced this as enhancing the quality of the activities funded. The open and interactive communication with the funder could be regarded as also promoting their independence, as an appreciation of CS autonomy concerns their ability to suggest novel initiatives to funders and

implement these activities without interference from the state or the funder (cf. Chaves et al. 2004; Perälä, 2015).

Based on experiences from New Zealand, Adams (2008), has seen that the government mandated model (like the RAY model) leads to growing dependence. Instead, and perhaps due to the strong associational partnership legacy in the Nordic countries (e.g. Alapuro & Stenius, 2010), teaming up with RAY was seen as preserving independence from the state. In this light the placement of the new funding institution under the auspices of the Ministry of Social Affairs and Health can be seen as detrimental for the CSOs' independence. At the same time, one could argue that the new funding system involves more detachment from the origin of money by diminishing the direct link to the gambling company (=RAY). Considering the circumstance that the funding via the Ministry of Education and Culture was seen as less transparent by the study's informants complicates further such an assumption. It stands clear that any analysis concerned with different models of channelling money must take into account a whole set of historical and contextual factors when evaluating systemic challenges and side-effects.

A circumstance that could be seen as confirming Adams' (2016) worries of a moral jeopardy in government-mandated systems is that the CSOs of this study were not very concerned about the ethical issues pertaining to the origin of their funding. The informants tended to underestimate the harm of gambling to society and justified the system even when they were aware of any moral concerns involved in the funding's origin. Instead the study informants actively justified the origin of the money of gambling in view of the good that was produced by these revenues (cf. Marionneau, 2015; Järvinen-Tassopoulos, 2012). The finding that Finnish CSOs find the charitable contributions of the gambling monopoly system as the main legitimising factor for state control over and provision of gambling is crucial. Traditionally, while depending on the state in other ways, the civil society associations in the Nordic countries have also had an advocacy role in opposition to the state (Alapuro & Stenius, 2010). Funding from a source that may potentially counteract societal welfare may put the CS in ethically inconsistent positions producing a 'public good' while accepting the 'public bad' (Sievers, 2010).

Based on the inquiries of this study we see some possibilities of introducing certain good praxis. First, there seems to be a great need for opening up a political discussion regarding the origin of the funding and the harms that gambling causes to individuals, and society at large (cf. Adams 2008). This could help improve the democratic accountability and mandates of all parties involved: the receivers, funders and the state.

Second, decreasing the direct dependence on gambling consumption might be a viable strategy to protect CSOs' integrity. This could be achieved by agreeing on a fixed percentage of the overall state budget to support CSOs, instead of earmarking the gambling revenue and linking the amount directly with the support amounts. Naturally, such an arrangement doesn't change the existence of a tie between gambling revenues and state income nor does it help problem gamblers. Nevertheless, it would change its nature and possibly help the civil society sector in keeping an important position as an ethically consistent, and more independent, social actor, which could actively engage in advocating for restrictions in gambling.

Thirdly, the paradox of a perceived greater CS autonomy by the recipients when receiving better practical grant application help and a sounding board for developing the content of the activities (the RAY model) should be taken into account in typologies that discern principles for how gambling revenue are channelled to the public good. In Finland, where the CS and state are tightly entangled and the gambling operators are state owned, the moral jeopardy may materialize in other ways than for example in Adams (2008) typology. The CSOs saw RAY's grant department as a middle hand between themselves and the state, which partly allowed them to remain the CS distinguishable from the official state.

In order to better understand the many aspects of dependencies of gambling funded CS, there is a need for future research to collect a comprehensive portfolio of cases from different systems and welfare state regimes.

Limitations of study

The number of interviews is rather small and our approach is exploratory. Furthermore, conducting the interviews during the time of transition of the Finnish monopoly system may have made informants especially eager not to endanger their source of money by excessive criticism. On the other hand, as informants had a special interest in the arrangement of channelling money, they may have been keen to express honest opinions to influence the future system. A second round of interviews will be conducted after the implementation of the new monopoly and funding system. This allows a unique opportunity to compare the effects of the two different arrangements to channel money to good causes in the same country context.

Declaration of interest

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Appendix:

Main themes of the interview protocol:

1. Central mission and principle for the civil society organisation (CSO) and for its activities.
2. Funding sources for the CSO's activities. Most significant funders and the significance of gambling money for the activities of the CSO.
3. Kind of activities funded with gambling revenues during the existence of the organisation. What kinds of activities have been left unfunded and for what reason?

4. What kind of activities does the applying for/receiving of/using gambling money require for the CSO?
5. The role of gambling profits and gambling organisations as financiers of the activities of the particular CSO / for public policy in general. Evaluation (in own terms and apprehension) of whether the money is used appropriately and democratically. For example, does the CSO / beneficiaries in general have a say in this process?
6. Assessment of the system appropriateness and efficiency, including whether there is something that should be fixed and why this is the case.
7. Gambling as a legitimate way of collecting and using public funds, given that it also causes social problems and human suffering.

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